

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

IN THE MATTER OF:	)	NOTICE OF VIOLATION
	)	
Vemco, Inc.	)	EPA-5-99-MI-9
Grand Blanc, Michigan	)	
	)	
PROCEEDINGS PURSUANT TO	)	
SECTION 113(a)(1) OF THE	)	
CLEAN AIR ACT,	)	
42 U.S.C. § 7413(a)(1)	)	

**STATUTORY AUTHORITY**

This Notice of Violation is issued pursuant to Section 113(a)(1) of the Clean Air Act (Act), 42 U.S.C. § 7413(a)(1). You are hereby notified that the Administrator of the United States Environmental Protection Agency (U.S. EPA), by authority duly delegated to the undersigned, hereby notifies Vemco, Inc. (Vemco), that Vemco is in violation of the Michigan State Implementation Plan (SIP).

**REGULATORY BACKGROUND: RULE 201**

1. Michigan Air Pollution Control Commission Rule R336.1201 (Rule 201) was approved by the Administrator of the U.S. EPA on May 6, 1980 (45 Fed. Reg. 29790) as part of the federally enforceable SIP for Michigan.
2. Rule 201 sets forth the requirements for Permits to Install under the Air Pollution Act of Michigan.
3. Rule 201(1) states, in part, that "a person shall not install, construct, reconstruct, relocate, or alter any process, fuel-burning equipment, or control equipment pertaining thereto, which may be a source of an air contaminant, until a permit is issued by the commission. This shall be known as a permit to install and shall cover construction, reconstruction, relocation, and alteration of equipment where such is involved."

**REGULATORY BACKGROUND: RULE 220**

4. Michigan Air Pollution Control Commission Rule R336.1220 (Rule 220) was approved by the Administrator of U.S. EPA on March 29, 1982 (47 Fed. Reg. 3764), as part of the federally enforceable SIP for Michigan.

5. Rule 220 sets forth conditions for approval of construction of sources of volatile organic compounds in ozone nonattainment areas.

6. Rule 220 states, in part, that a proposed major offset source or major offset modification for which volatile organic compounds (VOCs) are a major nonattainment air contaminant must comply with the following requirements, among others:

- a) the source must have control technology capable of achieving the lowest achievable emission rate for each nonattainment air contaminant for which the potential to emit is 100 or more tons per year, and
- b) before start-up, the source must ensure an emission reduction (offset) for each major nonattainment air contaminant in accordance with the requirements of Rule 220(b).

#### **REGULATORY BACKGROUND: RULE 301**

7. Michigan Air Pollution Control Commission Rule R336.1301 (Rule 301) was approved by the Administrator of U.S. EPA on July 13, 1992 (57 Fed. Reg. 24752), as part of the federally enforceable SIP for Michigan.

8. Rule 301 sets forth standards for density of emissions.

9. Rule 301(1) states, in part, that "a person shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of a density greater than the most stringent of the following:

- a) A 6-minute average of 20 percent (%) opacity, except for one 6-minute average per hour of not more than 27% opacity.
- b) A limit specified by an applicable Federal new source performance standard.
- c) A limit specified as a condition of a permit to install or permit to operate.

#### **REGULATORY BACKGROUND: RULE 702**

10. Michigan Air Pollution Control Commission Rule R336.1702 (Rule 702) was approved by the Administrator of U.S. EPA on November 7, 1994 (59 Fed. Reg. 46182), as part of the federally enforceable SIP for Michigan.

11. Rule 702 sets forth specifications for the lowest achievable emission rate (LAER) for volatile organic compounds.

12. Rule 702(c) states, in part, "...a person who is responsible for any new source of VOC emissions shall not cause or allow the emission of VOC emissions from the new source in excess of...The maximum allowable emission rate specified as a condition of a permit to install or a permit to operate..."

#### **REGULATORY BACKGROUND: RULE 910**

13. Michigan Air Pollution Control Commission Rule R336.1910 (Rule 910) was approved by the Administrator of U.S. EPA on May 6, 1980 (37 Fed. Reg. 10842; 45 FR 29790), as part of the federally enforceable SIP for Michigan.

14. Rule 910 sets forth standards for air cleaning devices by the owner of a facility.

15. Rule 910 states, in part, "An air-cleaning device shall be installed, maintained, and operated in a satisfactory manner..."

#### **REGULATORY BACKGROUND: RULE 1001**

16. Michigan Air Pollution Control Commission Rule R336.2001 (Rule 1001) was approved by the Administrator of U.S. EPA on June 22, 1981 (46 Fed. Reg. 27923), as part of the federally enforceable SIP for Michigan.

17. Rule 1001 sets forth requirements for performance testing by the owner of a facility.

18. Rule 1001 states, in part, "...the commission may require the owner or operator of any source of air contaminant to conduct acceptable performance tests, at the owner's or operator's expense..."

#### **FINDINGS OF FACT**

19. Vemco owns and operates an automobile plastic parts coating facility located at 10230 North Holly Road, Grand Blanc, Michigan.

20. Vemco has four coating lines at the Grand Blanc facility: Cladding; Fascia Color 1 and 2; Fascia Prime 1 and 2; and Manual. Each line consists of a series of spray booths and a bake oven.

21. VOCs are a "nonattainment air contaminant" within the meaning of Rule 220.

22. Vemco is a major offset source within the meaning of Rule 220 since the potential to emit for its nonattainment air contaminant is 100 or more tons per year.

23. On or about June 30, 1987, Vemco submitted an air use permit application to install to the Michigan Department of Natural Resources, now known as the Michigan Department of Environmental Quality (MDEQ) for the installation and operation of the Fascia and Cladding Lines.

24. On or about December 15, 1987, MDEQ approved Permit to Install #500-87 for the Cladding Line, Fascia Color 1 and 2, and Fascia Prime 1 and 2.

25. On April 18, 1988, Vemco sought to increase production at its Grand Blanc facility by submitting an air use permit application to MDEQ. The permit application included the addition of a regenerative incinerator for emissions control from the increased production of the Cladding Line, Fascia Color 1 and 2, and Fascia Prime 1 and 2.

26. On October 18, 1988, MDEQ issued an amended air use Permit to Install #500-87A for the installation and operation of the regenerative incinerator to provide additional VOC emission control at the Cladding Line, Fascia Prime 1 and 2, and Fascia Color 1 and 2.

27. VOC emissions from two of the spray booths of the Cladding Line are vented to the atmosphere. VOC emissions from all of the spray booths of the Fascia Prime and Fascia Color Lines are vented to the atmosphere.

28. On September 1, 1989, Vemco applied for an air use permit to allow for installation and operation of plastic parts coating processes for its Manual Line.

29. Vemco constructed the Manual Line before obtaining a Permit

to Install issued by MDEQ.

30. On February 12, 1990, a Consent Judgement was entered into by the State of Michigan and Vemco which required Vemco's compliance with a new Permit to Install #787-89 for the Manual Coating Line.

31. On August 9, 1990, Vemco requested that MDEQ approve installation of high volume low pressure ("HVLP") coating application equipment on the Manual Coating Line. Vemco also requested that air use Permit to Install #787-89 and the associated Consent Judgement be modified accordingly.

32. On May 1, 1991, Vemco requested that MDEQ revise the special conditions of Permit to Install #787-89 for the Manual Line to allow for HVLP spray gun equipment and to allow the installation of a carbon absorption/thermal incineration control system.

33. On September 27, 1991, the MDEQ approved supplemental revisions to Permit to Install #787-89 for the Manual Line.

34. On August 5, 1996, the MDEQ received an application to modify Permit to Install #787-89 for the Manual Line used to coat plastic automobile parts.

35. On December 4, 1996, the MDEQ issued a modified air use permit #787-89A to Vemco for the Manual Coating Line used to coat plastic automobile parts. Permit to Install #787-89 was superseded by #787-89A.

36. VOC emissions from the exhaust ducts of the spray booths and bake oven of the Manual line are controlled by the carbon absorber and the incinerator.

#### **SPECIFIC FINDINGS OF VIOLATION: RULE 201**

37. In April 1994, Vemco replaced the hand guns on each of the five booths of the manual line with two opposing reciprocators without a Permit to Install issued by MDEQ, in violation of Rule 201.

38. In February 1996, Vemco added one robot to Booth 2 of the Fascia 1 line without a Permit to Install issued by MDEQ, in violation of Rule 201.

39. In April 1996, Vemco added one robot to Booth 5 of the Fascia 1 line without a Permit to Install issued by MDEQ, in violation of Rule 201.

40. In December 1996, Vemco replaced a hand gun in Booth 1 of the Fascia 2 line with two robots without a Permit to Install issued by MDEQ, in violation of Rule 201.

41. In January 1997, Vemco replaced a hand gun in Booth 4 of the Fascia 2 line with two robots without a Permit to Install issued by MDEQ, in violation of Rule 201.

42. On November 6, 1997, an MDEQ inspector observed that a Nordson Unicarb unit was recently installed on the manual paint line without a Permit to Install issued by MDEQ, in violation of Rule 201.

**SPECIFIC FINDINGS OF VIOLATION: RULE 220**

43. In February 1996, Vemco added one robot to Booth 2 of the Fascia 1 line. This constitutes a major offset modification, requiring Vemco to have control technology capable of achieving LAER for VOCs, and to ensure emission reduction for VOCs in accordance with the requirements of Rule 220(b).

44. In April 1996, Vemco added one robot to Booth 5 of the Fascia 1 line. This constitutes a major offset modification, requiring Vemco to have control technology capable of achieving LAER for VOCs, and to ensure emission reduction for VOCs in accordance with the requirements of Rule 220(b).

45. In December 1996, Vemco replaced a hand gun in Booth 1 of the Fascia 2 line with two robots. This constitutes a major offset modification, requiring Vemco to have control technology capable of achieving LAER for VOCs, and to ensure emission reduction for VOCs in accordance with the requirements of Rule 220(b).

46. In January 1997, Vemco replaced a hand gun in Booth 4 of the Fascia 2 line with two robots. This constitutes a major offset modification, requiring Vemco to have control technology capable of achieving LAER for VOCs, and to ensure emission reduction for VOCs in accordance with the requirements of Rule 220(b).

**SPECIFIC FINDINGS OF VIOLATION: RULE 301**

47. Special Condition 22 of Vemco's Permit to Install #500-87A states, in part, "There shall be no visible emissions from the...cladding base coat system, or fascia and cladding clear coat systems." On May 29, 1998, a U.S. EPA inspector observed that visible emissions were being released from the stack for Booth #4 of the Cladding line. From 9:09 p.m. through 9:17 p.m.

the opacity readings averaged 24.7 percent. This constitutes a violation of Special Condition 22 of Vemco's Permit to Install #500-87A, in violation of Rule 301. See Table below.

SUMMARY OF VISIBLE EMISSIONS READINGS		
DATE	TIME	AVERAGE READING
May 29, 1998	9:09 pm - 9:18 pm	24.7 %

**SPECIFIC FINDINGS OF VIOLATION: RULE 702**

48. Special Condition 14 of Permit to Install #787-89A states that the VOC emission rate from the manual painting line used to coat plastic automobile parts shall not exceed 32.8 pounds per hour, based on a 24-hour averaging period, nor a maximum of 8.40 tons per calendar month nor 5.60 tons per calendar month on a 12-month rolling average. Vemco's records indicate numerous violations of Special Condition 14 of Permit to Install #787-89A, during April, May, June, September, October, and December of 1996, all in violation of Rule 702.

**SPECIFIC FINDINGS OF VIOLATION: RULE 910**

49. On May 9, 1997, an inspection at Vemco conducted by the MDEQ revealed that the flexible connection on the exhaust duct from the manual line near booth #4 had disconnected, allowing emissions to exhaust without going to the KPR units. In addition, small drilled holes were found on exhaust ducts going to the KPR units and the RTO unit allowing exhaust leakage from the duct. These failures to properly maintain and operate air cleaning devices constitute violations of Rule 910.

**SPECIFIC FINDINGS OF VIOLATION: RULE 1001**

50. Vemco has failed to conduct acceptable performance tests of facility processes as cited in two State of Michigan Letters of Violation dated September 12, 1997, and November 17, 1997, respectively. These failures to conduct acceptable performance tests constitute violations of Rule 1001.

**SPECIFIC FINDINGS OF VIOLATION: PERMIT # 500-87A**

**FAILURE TO OBTAIN A PERMIT**

51. General Condition 4 of Permit to Install #500-87A states, in part, "Applicant shall not reconstruct, alter, modify, expand, or relocate this equipment unless plans, specifications, and an application for a Permit to Install are submitted to and approved by the Commission." In February 1996, Vemco added one robot to Booth 2 of the Fascia 1 line without a Permit to Install issued by MDEQ. This is a violation of General Condition 4 of Permit to Install #500-87A.

52. In April 1996, Vemco added one robot to Booth 5 of the Fascia 1 line without a Permit to Install issued by MDEQ. This is a violation of General Condition 4 of Permit to Install #500-847A.

53. In December 1996, Vemco replaced a hand gun in Booth 1 of the Fascia 2 line with two robots without a Permit to Install issued by MDEQ. This is a violation of General Condition 4 of Permit to Install #500-87A.

54. In January 1997, Vemco replaced a hand gun in Booth 4 of the Fascia 2 line with two robots without a Permit to Install issued by MDEQ. This is a violation of General Condition 4 of Permit to Install #500-87A.

**VOC EMISSIONS VIOLATIONS**

55. Special Condition 14 of Permit to Install #787-89A states that the VOC emission rate from the manual painting line used to coat plastic automobile parts shall not exceed 32.8 pounds per hour, based on a 24-hour averaging period, nor a maximum of 8.40 tons per calendar month nor 5.60 tons per calendar month on a 12-month rolling average. Vemco's records indicate that the pound VOC per hour emission limit for the manual coating line was exceeded during April, May, June, September, October, and December of 1996. This is in violation of Special Condition 14 of Permit to Install #787-89A.

56. Special Condition 15 of Permit to Install #500-87A states, in part, "...the VOC emission rate from the fascia prime coat systems shall not exceed 12.91 pounds per gallons of solids applied based on a 24-hr averaging period..." During 1994, 1995, 1996, and 1997, Vemco's records indicate numerous violations of Special Condition 15 of Permit to Install #500-87A.

57. Special Condition 16 of Permit to Install #500-87A states, in part, "...the VOC emission rate from the fascia base coat



systems shall not exceed 13.19 pounds per gallon of solids applied based on a 24-hr averaging period..." For 1994, 1995, 1996, and 1997, Vemco's records indicate numerous violations of Special Condition 16 of Permit to Install #500-87A.

58. Special Condition 17 of Permit to Install #500-87A states, in part, "...the VOC emission rate from the fascia clear coat systems shall not exceed 9.27 pounds per gallon of solids applied based on a 24-hr averaging period..." For 1994, 1995, 1996, and 1997, Vemco's records indicate numerous violations of Special Condition 17 of Permit to Install #500-87A.

59. Special Condition 18 of Permit to Install #500-87A states, in part, "...the VOC emission rate from the fascia prime coat systems shall not exceed 9.76 pounds of VOC per gallon of solids applied, based on a calendar month averaging period..." For each month during 1994, 1995, 1996, and 1997, Vemco's records indicate numerous violations of Special Condition 18 of Permit to Install #500-87A.

60. Special Condition 19 of Permit to Install #500-87A states, in part, "...the VOC emission rate from the fascia base coat systems shall not exceed 12.17 pounds of VOC per gallon of solids applied, based on a calendar month averaging period." For each month during 1994, 1995, 1996, and 1997, Vemco's records indicated numerous violations of Special Condition 19 of PTI #500-87A.

61. Special Condition 20 of Permit to Install #500-87A states, in part, "...the VOC emission rate from the cladding base coat system shall not exceed 5.58 pounds per gallon of solids applied based on a 24-hr averaging period." For each month during 1994, 1995, 1996, and 1997, Vemco's records indicate numerous violations of Special Condition 20 of Permit to Install #500-87A.

62. Special Condition 21 of Permit to Install #500-87A which states, in part, "...the VOC emission rate from the Cladding Clear Coat System shall not exceed 5.99 pounds per gallon of solids applied based on a 24-hr averaging period." During 1994, 1995, 1996, and 1997, Vemco's records indicated numerous violations of Special Condition 21 of Permit to Install #500-87A.

#### **VISIBLE EMISSIONS VIOLATIONS**

63. Special Condition 22 of Permit to Install #500-87A states, in part, "There shall be no visible emissions from the fascia prime coat systems, fascia and cladding base coat systems, or fascia and cladding clear coat systems." On May 29, 1998, a U.S. EPA inspector observed that visible emissions were being released

from the stack for Booth #4 of the Cladding line. This is a violation of Special Condition 22 of Permit to Install #500-87A.

64. Special Condition 27 of Permit to Install #500-87A which states, "Applicant shall not operate any paint spray booth unless all exhaust filters are in place and operating properly." On September 27, 1996, an inspection conducted by the MDEQ revealed the presence of visible emissions from the Cladding and Fascia lines. This is a violation of Special Condition 27 of Permit to Install #500-87A.

#### **REPORTING VIOLATIONS**

65. Special Condition 25 of Permit to Install #500-87A states, in part, "Applicant shall calculate the actual VOC emissions rates from the prime coat, fascia and cladding base coat, and fascia and cladding clear coat systems for each calendar day and calendar month. This information shall be kept on file for a period of at least two years and made available to the Air Quality Division upon request." Vemco has failed to provide MDEQ with accurate VOC emission reports of performance tests. This is in violation of Special Condition 25 of Permit to Install #500-87A.

#### **SPECIFIC FINDINGS OF VIOLATION: PERMIT #787-89A**

66. General Condition 1 of Permit to Install #787-89A states, "...the person to whom this permit was issued shall not reconstruct, alter, modify, or relocate this equipment unless plans, specifications, and an application for a permit to install are submitted to and approved by the Department, unless otherwise exempt from the permit requirements." In April 1994, Vemco replaced the hand guns on each of the five booths of the manual line with two opposing reciprocators without a Permit to Install. This is a violation of General Condition 1 of Permit to Install #787-89A.

67. On November 6, 1997, an MDEQ inspector observed that a Nordson Unicarb unit was recently installed on the manual paint line without a Permit to Install. This is a violation of General Condition 1 of Permit to Install #787-89A.

68. Rule 1001(2) and Special Conditions 17 and 18 of Permit to Install #787-89A state, in part, "Verification of VOC emission rates from the manual painting line, utilizing electrostatic paint application equipment one-component coatings(prime, base, and clear) by testing, at owner's expense, in accordance with Department requirements, may be required for operating approval..." and "Verification of VOC emission rates from the

manual painting line, utilizing HVLP paint application equipment one-component coatings(prime, base, and clear) by testing, at owner's expense, in accordance with Department requirements, may be required for operating approval...", respectively. On June 27, 1997, MDEQ requested that a performance test be conducted by Vemco to verify compliance with permit limits. To date, Vemco has failed to conduct these tests in violation of Rule 1001(2) and Special Conditions 17 and 18 of Permit to Install #787-89A.

69. Special Condition 20 of Permit to Install #787-89A states, in part, "...applicant shall keep a record of the pounds of VOC per gallon of coating...This information shall be submitted to the District Supervisor in an acceptable format within 30 days following the end of the quarter in which the data were collected." As of November 1997, Vemco had not submitted coating and VOC records to MDEQ on a quarterly basis. This is a violation of Special Condition 20 of Permit to Install #787-89A.

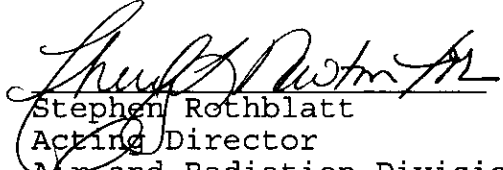
70. Special Condition 28 of Permit to Install #787-89A states, in part, "Applicant shall monitor and record the removal efficiency of the carbon absorption system on a continuous basis. Monitoring shall be completed in manner, and with instrumentation, acceptable to the Air Quality Division..." To date, Vemco has not submitted an acceptable procedure for evaluating and reporting the efficiency of the carbon absorption system and replacing the KPR block for approval by MDEQ. This constitutes a violation of Special Condition 28 of Permit to Install #787-89A.

#### NOTICE OF VIOLATION

The Administrator of the U.S. EPA, by authority duly delegated to the undersigned, notifies the State of Michigan and Vemco Industries, that the facility described above is in violation of the Michigan SIP as set forth in this Notice of Violation.

Date

12/31/98

  
Stephen Rothblatt  
Acting Director  
Air and Radiation Division